

Case Study 6

Enhancing Team Effectiveness for an Executive Team in Saudi Arabia

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The Case

The client is a market-leading pharmacy retailer, operating more than 1,000 stores throughout the Kingdom of Saudi Arabia. As in most large enterprises in Saudi Arabia, the board of executive directors is culturally diverse: five nationalities are represented in the team of nine, namely Saudi, Yemeni, Moroccan, British and Egyptian (see Figure 6.1). The company has been hugely successful, doubling revenues from 2011–2015 and has recently been elected Employer of Choice in the Kingdom. However, because of an economic downturn, there has been a stagnation in growth. In 2014 a new CEO was appointed and more recently two new executive team members have come on board. It now seems the changing economic climate and changes in the composition of the team have caused frictions in the team. Although one of the company's main recent campaigns is called “be engaged,” there are signals of individual executives being less engaged, the atmosphere in team meetings becoming less constructive, directors increasingly working in silos, and the cabinet not speaking with one voice. According to the client, interpersonal understanding and trust, interpersonal communication, collaboration and alignment are key to the effectiveness of the team. The central question with which the client approached the external consultant was: taking into consideration the team's key elements, how can we enhance the effectiveness of the leadership team?

The Research Process

Data were gathered by means of four different activities, of which the first two took place remotely (online surveys) and the last two were performed in-company:

1. Stakeholder feedback was gathered by means of a team effectiveness survey consisting of 48 Likert-scale items and eight open-ended questions.

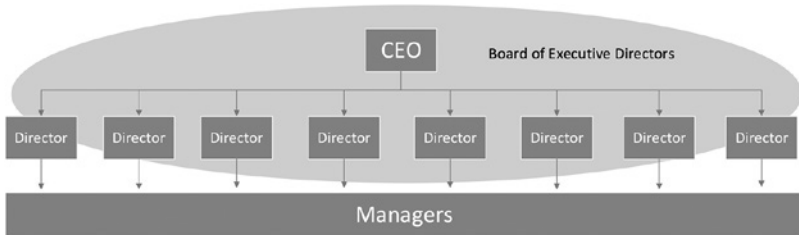


Figure 6.1 Organization Chart of the Company

The survey was completed anonymously by seven out of nine directors, and 20 managers directly reporting to the executive team. Key topics were the focus of the team (mission), efficiency in execution, internal dynamics, external relationships and the team's capacity to learn and innovate. The output was a computer-generated summary team effectiveness report.

2. A Belbin team-role assessment was conducted (Belbin, 2000) by means of a self-perception questionnaire (completed by every team member individually) and observer assessments (completed by at least four stakeholders, nominated by every director). This method focuses on the natural way a person behaves, contributes and interacts within the team, how this is perceived by the person himself or herself and by their colleagues. The output was a computer-generated individual team-role report for every director and a team report for the team as a whole.
3. Semi-structured interviews (1.5 hours each) were conducted by the consultant with all executive directors, on the key topics, including the team's performance, individual contributions of self and others, trust, collaboration and leadership. The output consisted of nine individual interview reports, written by the consultant on the basis of interview notes.
4. The consultant sat in on and observed a three-hour regular Executive Team meeting.

Timewise, this was a quite condensed project of just 16 days from start to finish (see Table 6.1).

The team effectiveness survey led to a number of insights on the team's self-image. The team saw themselves as highly results-oriented, performance-driven and focused. Top-scoring items on the survey were: "This team defines stretching goals and deliverables" (average score of all respondents 4.19 on the 5-point scale) and "This team knows the contribution it makes to corporate success" (average 4.22). The team considered themselves cohesive and well aligned around business priorities. Top-scoring items were:

Table 6.1 Timeline for Research and Intervention

	<i>Day 1</i>	<i>Day 2–10</i>	<i>Day 11</i>	<i>Day 12</i>	<i>Day 13</i>	<i>Day 14</i>	<i>Day 15–16</i>
Participants receive online team effectiveness survey and team-role assessment		Time for participants and stakeholders to complete various questionnaires	5 interviews with Executive Team members	4 interviews with Executive Team members	Observation of Executive Team meeting Consultant's reporting time	Travel to off-site location Consultant's reporting time	Two days off-site

“This team presents a united front in public” (average 4.08) and “Team members respect and trust each other as individuals” (average 4.08). The team considered themselves less effective regarding open communication and feedback. Lowest-scoring items were: “Team members challenge each other constructively, saying what needs to be said” (average 3.15) and “Team members give each other honest, helpful feedback” (average 3.19). It should be noted that to differentiate between higher- and lower-scoring items, it was helpful not just to look at the average scores, but also consider the statistical *mode* (the answer given most frequently). For instance, on the item “Team members give each other honest, helpful feedback,” the mode was 2, meaning most team members and stakeholders gave it a score of 2 on a 5-point scale.

The team perceived themselves as having some difficulty in dealing with diversity. On the open-ended questions, there were comments like: “We sometimes lack the courage to speak our minds openly when we disagree” and “The team is composed of very different, strong characters. This is what makes us a strong company, however people do not listen to each other very well, there is also blaming and not truly appreciating the differences in personality and culture.”

The Belbin team-role assessment confirmed the strength of the team in results-orientation and drive. Of the nine team roles the so-called *Shaper* was strongest represented in the team; four of the nine team members had the Shaper as their primary team role. This role is defined as: “providing the necessary drive to ensure that the team keeps moving and does not lose focus or momentum” (Belbin, 2000). The Belbin team report characterized the team as follows: “This is a team that contains people high in drive and the ability to overcome obstacles. If its members can work together, it can achieve a great deal. The risk is that this energy can result in internal conflict which is not easily resolved. This team may find that members are unwilling to adjust to one another. There may be difficulty in developing a positive atmosphere. It may therefore be necessary to find someone who can strengthen morale and help the team to work harmoniously together.”

Culture and cultural diversity play an important role in this company and the effectiveness of the team. The different national and organizational cultures represented in the team affect the team in a number of ways. First, diversity plays a role with regard to the leadership style of the new CEO and the way this is perceived by others. The CEO was groomed by his previous company, a large multinational FMCG company rooted in a culture of careful planning and structure and with a data-driven management setting clear objectives. His style was experienced as quite different from the existing management culture in the client company, which was more personally engaging, entrepreneurial and intuitive. This reluctance to change is in

line with a recent study on personality traits of Saudi managers, who score significantly high on prudence (Bolhuis, 2016). According to the Hogan Personality Inventory, individuals with high scores on prudence tend to have difficulties in situations of management change, which may affect their overall effectiveness (Hogan & Hogan, 2007). The business language that was used turned out to be another aspect that was affected by cultural diversity. Only one team member had English as a mother tongue, yet the business discussions were supposed to be in English. This led to inequality within the team as some could express themselves with greater fluency and accuracy than others, and were also better able to understand what was being said. Similar problems surfaced in earlier research on the use of business English in an international context, with awareness raising being offered as a possible solution (Rogerson-Revell, 2007; Salarío, 2012). The levels of trust and openness displayed in team discussions also testified to the team's diversity. In this particular team, the group discussions and the way in which members gave each other feedback was observed to be quite open and direct, even in the vertical relationship between director and CEO. This is not the usual pattern in Saudi Arabia, where the power distance experienced between superior and subordinate is relatively high (Hofstede, Hofstede, & Minkov, 2010). For example, it is not uncommon to find that when a superior is in the room, subordinates will be reluctant to speak. Cultural diversity further influenced the communication styles of the team members. Some individuals within the team had troublesome relationships because, from their cultural perspective, the communication style or leadership style of other members was inappropriate or even dysfunctional when the latter tried to reach consensus or solve issues together. It was remarkable that the team adopted an ethnocentric approach in this case, seeing their ethnic backgrounds as a driving force behind behaviour and thereby increasing cultural differences. For example, by his Saudi peers, the UK team member was considered to be typically results-focused, objective and phlegmatic, yet bold and even aggressive in discussions. The Saudi team members found each other more empathetic, inclusive, warm and more emotional in discussions. The communication style of the British director, which was direct and more performance-focused, was not always effective to get things done in the Saudi culture, where relationships and personal bonds are essential. The composition of the team also showed that the national culture of Saudi Arabia clearly had an impact on the executive team of this originally Saudi organization. In Saudi Arabia – although this is changing – it is still rare to see women in executive management roles. This executive team of directors, like almost all executive boards in Saudi Arabia, was composed of only men.

Consultancy and Acceptance

The research activities mentioned previously were not just diagnostics. They already were interventions that led to a more effective intercultural awareness, encouraging self-reflection and a higher level of self-awareness within the team. Following the research phase, a two-day team development programme (or so-called team retreat) was facilitated by the external consultant. The team retreat was held in a place that was literally far away from business, a conference hotel accommodation in Jordan and included the following elements. First, the results of the research were presented and the different reports were handed out. These showed how the team and the individual directors perceived themselves and how they were perceived by others. The reports also included recommendations as to how the roles in the team could best be allocated to play to the strengths of each team member. Facilitated by the consultant, conversations in pairs were organized for team members to discuss interpersonal relationships. The pairs discussed their personal styles and the team roles they brought into this setting, the way the pair work together, and in what way their styles could be complementary and create synergies between their departments. Facilitated by the consultant, team building exercises were performed based on the method of action learning. In these exercises the team had to work on a particular task together, the team's performance was observed and benchmarked against executive teams from other companies. In a debriefing discussion, areas of improvement were identified and transferred to the next exercise. In the course of the two-day programme every director had a one-hour individual feedback or coaching session with the consultant to decide on the specific strengths that director brought to the team, his potentially dysfunctional behaviour, and things he could or should do to improve and to help the team perform even better. The team retreat ended by formulating commitments and planning action. At the end of the programme a group discussion took place to formulate collective actions that the team would commit to. In addition, every team member shared his personal commitment with the rest of the team: "based on the insights from these two days, what I will do to continue to enhance the team's performance is. . ." Each team member appointed one colleague who would hold him accountable for this commitment with a check-in call or face-to-face meeting after one month.

To assess the impact of this intervention programme, the intervention was evaluated on the four different levels on which a training programme can be evaluated: the reaction level, the learning level, the behaviour level and the results level (Kirkpatrick & Kayser, 2016). These levels will be reviewed next. On the reaction level the participants themselves provided very positive

verbal feedback about the diagnostic phase as well as the team retreat. The programme received an average score of 8.9 on a 10-point scale. In addition to the company-specific diagnosis and intervention, also more general aspects such as going on such a journey as a team, investing time and effort in team development, the sheer opportunity to speak confidentially about personal experiences and relationships in the team and to give and receive feedback, traveling abroad and spending time in a beautiful location in Jordan were appreciated and contributed to the positive evaluation. It is not *business as usual* for a board of directors to create such an opportunity to reflect on teamwork and internal relationships. The positive impact of creating such time and space, in itself, should not be underestimated. On the learning level, the team survey and team role assessment, supported by the experiential learning exercises, ensured that participants received extremely rich feedback on their contribution and behaviour in the team, as well as constructive ideas about what they could improve individually and collectively. They gained insight about themselves and about their colleagues, and learned how their team benchmarked against other executive teams in similar circumstances. On the behaviour level, a verbal follow-up evaluation with the HR Director three months after the team retreat suggested that the internal dynamics and cooperation within the team had improved significantly. Without any cracks in their reputation, they had achieved a major business acquisition, which is usually a process that puts strain on a team and can lead to conflict and misalignment. According to the HR Director: “Since the team retreat, we have not had a single dysfunctional discussion or conflict. People speak out much more openly in team meetings than before. And whenever there are new responsibilities or tasks to assign, we take a look at our team role analysis and allocate roles so that everyone can ‘play to strength’.” The fourth and final level, that of results, is the most difficult to evaluate because there are many other aspects that influence the company’s business performance. Although the team members were positive about the results in the previously mentioned acquisition process, it cannot be concluded that this is due to the intervention described here.

Final Reflection

Several factors contributed to the success of this intervention. The consultant occupied the position of a neutral outsider and was therefore seen as objective and fair, eliciting a high degree of mutual trust. The CEO stressed that intercultural differences should not hinder effective collaboration, and set an example by being open to feedback and taking opportunities to improve himself. The CEO furthermore created a safe learning environment,

by reassuring the directors that their individual roles were highly valued and that this executive team would stay in place for some time to come. Another aspect is the co-authorship of the programme of client and consultant together, which prevented participants from feeling they were acted upon, rather than acting. Without this co-authorship, participants might not have been committed to the outcomes. Lastly, intercultural stereotypes were not used and intercultural differences were not named as such. The focus was just on differences between people instead of ethnicity and on how to make best use of these differences by a positive framing of differences and by using the positive and reinforcing language of team roles, applying the principle of playing to strength (Maznevski, 1994). Rather than the ethnocentric attitude which the team previously adopted, they now displayed a more ethnorelative perspective, which is an important condition of intercultural effectiveness (Bennett, 2004). Religious values and governmental regulations are sensitive issues which are as difficult to address in the context of a team development programme as in this case study. For example, due to the Saudi Arabian labour system, Saudi nationals have a stronger position in terms of job security than their non-Saudi colleagues. It is much more difficult for an employer to fire a Saudi national than to fire an expatriate. The inequality between Saudi and non-Saudi board members and the fact that the position of non-Saudis is less secure is not openly discussed in the workplace, and has a negative impact on trust and cohesion within a culturally diverse team.

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